

PART I – THE SCHEDULE

SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

TABLE OF CONTENTS

B.1	SERVICES BEING ACQUIRED	1
B.2	ESTIMATED COST, BASE FEE AND AWARD FEE.....	1
B.3	LIMITATION OF FUNDS.....	5
B.4	AUTHORIZATION OF TRANSITION COSTS UNDER THE CONTRACT	5
B.5	ALLOWABILITY OF CONTRACTOR TEAM FEE	5
B.6	DEAR 952.223-76 CONDITIONAL PAYMENT OF FEE OR PROFIT— SAFEGUARDING RESTRICTED DATA AND OTHER CLASSIFIED INFORMATION AND PROTECTION OF WORKER SAFETY AND HEALTH (JAN 2004).....	6

PART I – THE SCHEDULE

SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

B.1 SERVICES BEING ACQUIRED

This is a cost-plus-award-fee type contract for protective force security services at the Savannah River Site (SRS) near Aiken, South Carolina. The Contractor shall provide, train and maintain an armed and uniformed protective force for the physical protection of DOE security interests and other such related duties as described in Section C, Statement of Work, or as may be otherwise directed by the Contracting Officer, for DOE facilities at the SRS.

B.2 ESTIMATED COST, BASE FEE AND AWARD FEE

a. Transition Period*

Total Estimated Cost \$ **

*No fee will be paid during the transition period.

b. Base Period

Year One

Total Estimated Cost (exclusive of fee) \$ **

Base Fee (may not exceed 3% of total estimated costs) \$ **

Total Available Award Fee \$ **

Award Fee Pool 1 (Months 4 through 6) \$ **

Award Fee Pool 2 (Months 7 through 12) \$ **

Total Estimated Cost, Base Fee and Award Fee \$ **

Year Two

Total Estimated Cost (exclusive of fee) \$ **

Base Fee (may not exceed 3% of total estimated costs) \$ **

Total Available Award Fee \$ **

Award Fee Pool 3 (Months 13 through 18) \$ **

Award Fee Pool 4 (Months 19 through 24)	\$ <u> ** </u>
Total Estimated Cost, Base Fee and Award Fee	\$ <u> ** </u>

Year Three

Total Estimated Cost (exclusive of fee)	\$ <u> ** </u>
Base Fee (may not exceed 3% of total estimated costs)	\$ <u> ** </u>
Total Available Award Fee	\$ <u> ** </u>
Award Fee Pool 5 (Months 25 through 30)	\$ <u> ** </u>
Award Fee Pool 6 (Months 31 through 36)	\$ <u> ** </u>
Total Estimated Cost, Base Fee and Award Fee	\$ <u> ** </u>

Year Four

Total Estimated Cost (exclusive of fee)	\$ <u> ** </u>
Base Fee (may not exceed 3% of total estimated costs)	\$ <u> ** </u>
Total Available Award Fee	\$ <u> ** </u>
Award Fee Pool 7 (Months 37 through 42)	\$ <u> ** </u>
Award Fee Pool 8 (Months 43 through 48)	\$ <u> ** </u>
Total Estimated Cost, Base Fee and Award Fee	\$ <u> ** </u>

Year Five

Total Estimated Cost (exclusive of fee)	\$ <u> ** </u>
Base Fee (may not exceed 3% of total estimated costs)	\$ <u> ** </u>
Total Available Award Fee	\$ <u> ** </u>
Award Fee Pool 9 (Months 49 through 54)	\$ <u> ** </u>
Award Fee Pool 10 (Months 55 through 60)	\$ <u> ** </u>
Total Estimated Cost, Base Fee and Award Fee	\$ <u> ** </u>

c. Option Period 1

Year Six

Total Estimated Cost (exclusive of fee)	\$ <u> ** </u>
Base Fee (may not exceed 3% of total estimated costs)	\$ <u> ** </u>
Total Available Award Fee	\$ <u> ** </u>
Award Fee Pool 11 (Months 61 through 66)	\$ <u> ** </u>
Award Fee Pool 12 (Months 67 through 72)	\$ <u> ** </u>
Total Estimated Cost, Base Fee and Award Fee	\$ <u> ** </u>

Year Seven

Total Estimated Cost (exclusive of fee)	\$ <u> ** </u>
Base Fee (may not exceed 3% of total estimated costs)	\$ <u> ** </u>
Total Available Award Fee	\$ <u> ** </u>
Award Fee Pool 13 (Months 73 through 78)	\$ <u> ** </u>
Award Fee Pool 14 (Months 79 through 84)	\$ <u> ** </u>
Total Estimated Cost, Base Fee and Award Fee	\$ <u> ** </u>

Year Eight

Total Estimated Cost (exclusive of fee)	\$ <u> ** </u>
Base Fee (may not exceed 3% of total estimated costs)	\$ <u> ** </u>
Total Available Award Fee	\$ <u> ** </u>
Award Fee Pool 15 (Months 85 through 90)	\$ <u> ** </u>
Award Fee Pool 16 (Months 91 through 96)	\$ <u> ** </u>
Total Estimated Cost, Base Fee and Award Fee	\$ <u> ** </u>

d. Option Period 2

Year Nine

Total Estimated Cost (exclusive of fee)	\$ <u> ** </u>
Base Fee (may not exceed 3% of total estimated costs)	\$ <u> ** </u>
Total Available Award Fee	\$ <u> ** </u>
Award Fee Pool 17 (Months 97 through 102)	\$ <u> ** </u>
Award Fee Pool 18 (Months 103 through 108)	\$ <u> ** </u>
Total Estimated Cost, Base Fee and Award Fee	\$ <u> ** </u>

Year Ten

Total Estimated Cost (exclusive of fee)	\$ <u> ** </u>
Base Fee (may not exceed 3% of total estimated costs)	\$ <u> ** </u>
Total Available Award Fee	\$ <u> ** </u>
Award Fee Pool 19 (Months 109 through 114)	\$ <u> ** </u>
Award Fee Pool 20 (Months 115 through 120)	\$ <u> ** </u>
Total Estimated Cost, Base Fee and Award Fee	\$ <u> ** </u>

*** to be inserted at time of contract award*

- e. The award fee for this contract shall be awarded upon the unilateral determination of DOE's fee determination official (FDO) that an award fee has been earned. The unilateral decision is made solely at the discretion of the government. This determination shall be based upon the FDO's evaluation of the Contractor's performance, as measured against the evaluation criteria set forth in the award fee plan as described in Section H.25. Provisional payment of a proportional monthly amount equivalent of an amount up to 50% of the available award fee for the period may be permitted. Award fee will be paid semiannually based on the FDO's unilateral assessment of the Contractor's performance in accordance with the award fee plan.

Immediately upon the FDO's final determination of the award fee earned for the evaluation period, the Contractor may invoice any fee amount not previously paid or must credit any excess amount paid. Any unearned award fee from each evaluation period shall not be eligible to be earned in any future period(s). Award fee available for each period is set forth

above. Should the anticipated scope per fiscal year increase or decrease by an estimated 10% or greater from the scope as priced in the contract for that year, the Contractor and Government will enter into good faith negotiations to revise the base and award fee pools for that period (and subsequent years as may be appropriate) accordingly.

B.3 LIMITATION OF FUNDS

Pursuant to the FAR clause 52.232-22, entitled "Limitation of Funds," the total amount of incremental funding allotted to this contract is ____*. It is estimated that this amount is sufficient to cover performance through ____.

** to be inserted at time of contract award and each contract modification obligating funding to the contract thereafter.*

B.4 AUTHORIZATION OF TRANSITION COSTS UNDER THE CONTRACT

- (a) Contract transition is a 90-day period of time prior to the date the Contractor assumes full responsibility. During the transition period, the Contractor shall perform those activities necessary to be prepared to assume full responsibility for the contract requirements. During the transition period, the Contractor shall bring to the site its management team and other staff necessary to plan and conduct those activities that provide for an orderly transfer of responsibilities and accountability. The Contractor shall accomplish these activities in a manner that will provide an effective transition of personnel and work activities while minimizing the cost of this effort.
- (b) The Contractor shall put into place any agreements it deems necessary between it and other site contractors/subcontractors for provision of services. Any agreement that requires DOE consent will be subject to a 30-day review and approval process and must be submitted for approval within 30 days from the date of contract award. The Contractor shall obtain all necessary permits and licenses. Available government furnished facilities, property, services and items are identified in Section H.

B.5 ALLOWABILITY OF CONTRACTOR TEAM FEE

If the Contractor is a consortium, joint venture, or other teaming arrangement, the fee earned may be distributed by the Contractor among the team members, as it deems appropriate. Separate additional subcontractor fee for teaming members shall not be considered an allowable cost under the contract. If a separate subcontractor, supplier, or lower-tier subcontractor is a wholly owned, majority owned or affiliate of any team member, any fee or profit earned by such entity shall not be considered an allowable cost under this contract unless approved by the Contracting Officer.

**B.6 DEAR 952.223-76 CONDITIONAL PAYMENT OF FEE OR PROFIT—
SAFEGUARDING RESTRICTED DATA AND OTHER CLASSIFIED
INFORMATION AND PROTECTION OF WORKER SAFETY AND HEALTH
(JAN 2004)**

(a) General.

(1) The payment of fee or profit (i.e., award fee, fixed fee, and incentive fee or profit) under this contract is dependent upon the contractor's compliance with the terms and conditions of this contract relating to the safeguarding of Restricted Data and other classified information (i.e., Formerly Restricted Data and National Security Information) and relating to the protection of worker safety and health, including compliance with applicable law, regulation, and DOE directives. The term "contractor" as used in this clause to address failure to comply shall mean "contractor or contractor employee."

(2) In addition to other remedies available to the Federal Government, if the contractor fails to comply with the terms and conditions of this contract relating to the safeguarding of Restricted Data and other classified information or relating to the protection of worker safety and health, the contracting officer may unilaterally reduce the amount of fee or profit that is otherwise payable to the contractor in accordance with the terms and conditions of this clause.

(3) Any reduction in the amount of fee or profit earned by the contractor will be determined by the severity of the contractor's failure to comply with contract terms and conditions relating to the safeguarding of Restricted data or other classified information or relating to worker safety and health pursuant to the degrees specified in paragraphs (c) and (d) of this clause.

(b) Reduction Amount.

(1) If in any period (see 48 CFR 952.223-76 (b)(2)) it is found that the contractor has failed to comply with contract terms and conditions relating to the safeguarding of Restricted Data or other classified information or relating to the protection of worker safety and health, the contractor's fee or profit of the period may be reduced. Such reduction shall not be less than 26% nor greater than 100% of the total fee or profit earned for a first degree performance failure, not less than 11% nor greater than 25% for a second degree performance failure, and up to 10% for a third degree performance failure. The contracting officer must consider mitigating factors that may warrant a reduction below the specified range (see 48 CFR 904.402(c) and 48 CFR 923.7001(b)). The mitigating factors include, but are not limited to, the following ((v), (vi), (vii), and (viii) apply to WS&H only):

- (i) Degree of control the contractor had over the event or incident.
- (ii) Efforts the contractor had made to anticipate and mitigate the possibility of the event in advance.
- (iii) Contractor self-identification and response to the event to mitigate impacts and recurrence.
- (iv) General status (trend and absolute performance) of:
safeguarding Restricted Data and other classified information and

compliance in related security areas; or of protecting WS&H and compliance in related areas.

(v) Contractor demonstration to the Contracting Officer's satisfaction that the principles of industrial WS&H standards are routinely practiced (e.g., Voluntary Protection Program Star Status).

(vi) Event caused by "Good Samaritan" act by the contractor (e.g., offsite emergency response).

(vii) Contractor demonstration that a performance measurement system is routinely used to improve and maintain WS&H performance (including effective resource allocation) and to support DOE corporate decision-making (e.g., policy, WS&H programs).

(viii) Contractor demonstration that an Operating Experience and Feedback Program is functioning that demonstrably affects continuous improvement in WS&H by use of lessons-learned and best practices inter- and intra-DOE sites.

(2)(i) Except in the case of performance-based, firm-fixed-price contracts (see paragraph (b)(3) of this clause), the contracting officer, for purposes of this clause, will at the time of contract award, or as soon as practicable thereafter, allocate the total amount of fee or profit that is available under this contract to equal periods of [insert 6 or 12] months to run sequentially for the entire term of the contract (i.e., from the effective date of the contract to the expiration date of the contract, including all options). The amount of fee or profit to be allocated to each period shall be equal to the average monthly fee or profit that is available or otherwise payable during the entire term of the contract, multiplied by the number of months established above for each period.

(ii) Under this clause, the total amount of fee or profit that is subject to reduction in a period in which a performance failure occurs, in combination with any reduction made under any other clause in the contract that provides for a reduction to the fee or profit, shall not exceed the amount of fee or profit that is earned by the contractor in the period established pursuant to paragraph (b)(2)(i) of this clause.

(3) For performance-based firm-fixed-price contracts, the contracting officer will at the time of contract award include negative monetary incentives in the contract for contractor violations relating to the safeguarding of Restricted Data and other classified information and relating to protection of worker safety and health.

(c) Safeguarding Restricted Data and Other Classified Information. Performance failures occur if the contractor does not comply with the terms and conditions of this contract relating to the safeguarding of Restricted Data and other classified information. The degrees of performance failures relating to the contractor's obligations under this contract for safeguarding of Restricted Data and other classified information are as follows:

(1) First Degree: Performance failures that have been determined, in accordance with applicable law, regulation, or DOE directive, to have resulted in, or that can reasonably be expected to result in, exceptionally grave damage to the national security. The following are examples of

performance failures or performance failures of similar import that will be considered first degree:

- (i) Non-compliance with applicable laws, regulations, and DOE directives actually resulting in, or creating a risk of, loss, compromise, or unauthorized disclosure of Top Secret Restricted Data or other information classified as Top Secret, any classification level of information in a Special Access Program (SAP), information identified as sensitive compartmented information (SCI), or high risk nuclear weapons-related data.
- (ii) Contractor actions that result in a breakdown of the safeguards and security management system that can reasonably be expected to result in the loss, compromise, or unauthorized disclosure of Top Secret Restricted Data, or other information classified as Top Secret, any classification level of information in a SAP, information identified as SCI, or high risk nuclear weapons-related data.
- (iii) Failure to promptly report the loss, compromise, or unauthorized disclosure of Top Secret Restricted Data or other information classified as Top Secret, any classification level of information in a SAP, information identified as SCI, or high risk nuclear weapons-related data.
- (iv) Failure to timely implement corrective actions stemming from the loss, compromise, or unauthorized disclosure of Top Secret Restricted Data or other classified information classified as Top Secret, any classification level of information in a SAP, information identified as SCI, or high risk nuclear weapons-related data.

(2) Second Degree: Performance failures that have been determined, in accordance with applicable law, regulation, or DOE directive, to have actually resulted in, or that can reasonably be expected to result in, serious damage to the national security. The following are examples of performance failures or performance failures of similar import that will be considered second degree:

- (i) Non-compliance with applicable laws, regulations, and DOE directives actually resulting in, or creating risk of, loss, compromise, or unauthorized disclosure of Secret Restricted Data or other information classified as Secret.
- (ii) Contractor actions that result in a breakdown of the safeguards and security management system that can reasonably be expected to result in the loss, compromise, or unauthorized disclosure of Secret Restricted Data, or other information classified as Secret.
- (iii) Failure to promptly report the loss, compromise, or unauthorized disclosure of Restricted Data or other classified information regardless of classification (except for information covered by paragraph (c)(1)(iii) of this clause).
- (iv) Failure to timely implement corrective actions stemming from the loss, compromise, or unauthorized disclosure of Secret Restricted Data or other information classified as Secret.

(3) Third Degree: Performance failures that have been determined, in accordance with applicable law, regulation, or DOE directive, to have actually resulted in, or that can reasonably be expected to result in, undue

risk to the common defense and security. In addition, this category includes performance failures that result from a lack of contractor management and/or employee attention to the proper safeguarding of Restricted Data and other classified information. These performance failures may be indicators of future, more severe performance failures and/or conditions, and if identified and corrected early would prevent serious incidents. The following are examples of performance failures or performance failures of similar import will be considered third degree:

- (i) Non-compliance with applicable laws, regulations, and DOE directives actually resulting in, or creating risk of, loss, compromise, or unauthorized disclosure of Restricted Data or other information classified as Confidential.
- (ii) Failure to promptly report alleged or suspected violations of laws, regulations, or directives pertaining to the safeguarding of Restricted Data or other classified information.
- (iii) Failure to identify or timely execute corrective actions to mitigate or eliminate identified vulnerabilities and reduce residual risk relating to the protection of Restricted Data or other classified information in accordance with the contractor's Safeguards and Security Plan or other security plan, as applicable.
- (iv) Contractor actions that result in performance failures which unto themselves pose minor risk, but when viewed in the aggregate indicate degradation in the integrity of the contractor's safeguards and security management system relating to the protection of Restricted Data and other classified information.

(d) Protection of Worker Safety and Health. Performance failures occur if the contractor does not comply with the contract's WS&H terms and conditions, which may be included in the DOE approved contractor Integrated Safety Management System (ISMS). The degrees of performance failure under which reductions of fee or profit will be determined are:

(1) First Degree: Performance failures that are most adverse to WS&H or could threaten the successful completion of a program or project. For contracts including ISMS requirements, failure to develop and obtain required DOE approval of WS&H aspects of an ISMS is considered first degree. The Government will perform necessary review of the ISMS in a timely manner and will not unreasonably withhold approval of the WS&H aspects of the contractor's ISMS. The following performance failures or performance failures of similar import will be deemed first degree:

- (i) Type A accident (defined in DOE Order 225.1A).
- (ii) Two Second Degree performance failures during an evaluation period.

(2) Second Degree: Performance failures that are significantly adverse to WS&H. They include failures to comply with approved WS&H aspects of an ISMS that result in an actual injury, exposure, or exceedence that occurred or nearly occurred but had minor practical long-term health consequences. The following performance failures or performance failures of similar import will be considered second degree:

- (i) Type B accident (defined in DOE Order 225.1A).

(ii) Non-compliance with approved WS&H aspects of an ISMS that results in a near miss of a Type A or B accident. A near miss is a situation in which an inappropriate action occurs, or a necessary action is omitted, but does not result in an adverse effect.

(iii) Failure to mitigate or notify DOE of an imminent danger situation after discovery, where such notification is a requirement of the contract.

(3) Third Degree: Performance failures that reflect a lack of focus on improving WS&H. They include failures to comply with approved WS&H aspects of an ISMS that result in potential breakdown of the contractor's WS&H system. The following performance failures or performance failures of similar import will be considered third degree:

(i) Failure to implement effective corrective actions to address deficiencies/non-compliance documented through external (e.g., Federal) oversight and/or reported per DOE Order 232.1A requirements, or internal oversight of DOE O 440.1A requirements.

(ii) Multiple similar non-compliances identified by external (e.g., Federal) oversight that in aggregate indicate a significant WS&H system breakdown.

(iii) Non-compliances that either have, or may have, significant negative impacts to workers that indicate a significant WS&H system breakdown.

(iv) Failure to notify DOE upon discovery of events or conditions where notification is required by the terms and conditions of the contract.